

REPORT TO THE
SENATE APPROPRIATIONS COMMITTEE ON HEALTH AND HUMAN
SERVICES
THE HOUSE OF REPRESENTATIVES APPROPRIATIONS SUBCOMMITTEE
ON HEALTH AND HUMAN SERVICES
THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL
HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE
SERVICES
AND
THE FISCAL RESEARCH DIVISION
ON
SERVICES TO MULTIPLY DIAGNOSED ADULTS
Session Law 2007-323
House Bill 1473
Section 10.52

May 1, 2008

NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND
SUBSTANCE ABUSE SERVICES

Services to Multiply Diagnosed Adults

May 1, 2008

The General Assembly of North Carolina, in its 2007 Session, passed legislation (Session Law 2007 – 323, Section 10.52) that continues to require that a report be submitted concerning the principles that guide the provision of services to multiply diagnosed adults. In addition, this legislation specifies that the services are to be medically necessary, that cost reduction strategies be used including pre-authorization of services, criteria for medical necessity and provision of clinically appropriate services, and that state funds shall not be used for the purchase of single-family or other residential dwellings to house multiply diagnosed adults.

Reports on services to multiply diagnosed adults have been required since the settlement of the Thomas S. class action suit many years ago. This report summarizes the steps that have been taken since that time and demonstrates the continued implementation of this section.

The guiding principles require that services be outcome-oriented and evaluation-base, delivered close to home, cost efficient and effective, provided not solely for convenience of provider and client, involve families and consumers in decision making, medically necessary, and subject to utilization review. These principles have been operationalized throughout the service system. The service delivery system is based upon person-centered plans that must be appropriate to consumer needs, accessible and timely, consumer-driven, outcome oriented, culturally and age appropriate, built on individual strengths, cost effective and reflect best practices. The person-centered planning process includes assessment information and provides the information to show medical necessity for the service. These plans are evaluated on an ongoing basis by staff of the Local Management Entities (LMEs) to assure progress is being made toward those outcomes by each individual.

The LMEs are responsible for plan authorization and utilization review for services supported by State funds. The Medicaid approved vendor performs these functions for all Medicaid Services. Medical necessity criteria are included in all service definitions. See also Communication Bulletin # 75, “Clarification regarding Integrated Payment and Reporting System Funding for CAP-MR/DD Recipients” and see also the Division of Medical Assistance (DMA) Clinical Policy number A4, “Services for Individuals with Mental Retardation/Developmental Disabilities and Mental Health/Substance Abuse Co-Occurring Disorders” that provides specific guidelines regarding assessment, person-centered plans, treatment, reviews and reassessments, and psychotropic drugs for multiply diagnosed individuals and the clinical coverage policy 8A, “Enhanced Mental Health and Substance Abuse Services”. In addition, the Division continues to not allow the purchase of dwellings to house adults with multiple diagnoses and no purchases have been made.